

**STAFF REPORT
C65**

A Statewide

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C2018001.01

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**CONSIDER GRANTING AUTHORITY TO THE EXECUTIVE OFFICER
TO RENEW AN AGREEMENT WITH UNIVERSITY ENTERPRISES, INC., TO
PROCURE THE SERVICES OF COLLEGE STUDENTS TO ASSIST THE
COMMISSION WITH VARIOUS ASSIGNMENTS FOR FISCAL YEARS 2018-2023**

PARTIES:

University Enterprises, Inc.

California State Lands Commission

PROPOSED ACTIVITY:

The Executive Officer requests authority to execute an amendment to an existing contract with University Enterprises, Inc. The existing contract expires on June 30, 2019. As described below, staff recommends amending the existing contract to extend the contract term and increase the contract amount to address staffing needs.

University Enterprises, Inc. \$1,337,000.00 Contract No. C2018001.01

Agreement with University Enterprises, Inc., C218001.01 to procure the services of college students to assist staff with various assignments; in return, each student will earn hands-on experience that will complement and optimize the student's area of study.

Purpose of the proposed amendment for non-tenured assistance:

1. Extend term to five years (through June 30, 2023)
2. Add \$1,287,000 to the initial contract maximum of \$50,000.00
3. Total available for encumbrance over term: \$1,337,000.00
 - a. The agreement maximum value is a cap and not a commitment to spend. It is only the Fi\$Cal purchase order (PO) that actually encumbers and holds the funds.

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Proposed first amendment (A1) to Agreement # C2018001.01 University Enterprises, Inc.

New Term: July 1, 2018 to June 30, 2023 - 5 Years

Student Assistant assignments by division and estimate base assumptions

FY	Contract Version	5 Student Assistants (SA)	3 Student Assistants	1 Student Assistant	1 Student Assistant	Totals
		Records	ISD	Fiscal	Accounting	
18-19	A1	\$ 69,917.07	\$ 69,917.07	\$ 13,983.41	\$ 13,983.41	\$ 167,800.96
19-20	A1	\$ 139,834.13	\$ 83,900.48	\$ 27,966.83	\$ 27,966.83	\$ 279,668.27
20-21	A1	\$ 139,834.13	\$ 83,900.48	\$ 27,966.83	\$ 27,966.83	\$ 279,668.27
21-22	A1	\$ 139,834.13	\$ 83,900.48	\$ 27,966.83	\$ 27,966.83	\$ 279,668.27
22-23	A1	\$ 139,834.13	\$ 83,900.48	\$ 27,966.83	\$ 27,966.83	\$ 279,668.27

Total estimate to fund staffing needs: **\$ 1,286,474.04**

18-19	Initial	\$ 20,000.00	\$ 20,000.00	\$ 5,000.00	\$ 5,000.00	\$ 50,000.00
Amendment 1 (rounded):						\$ 1,287,000.00
New Contract Maximum after Amendment 1:						\$ 1,337,000.00

The amendment funding will secure:

- 5 student assistants for a multi-year Records digitization project,
- 3 assistants will continue to work Help Desk tickets for the Information Services Division,
- the Fiscal Unit is seeking 1 student to assist with the increased workload presented by the implementation of Fi\$Cal, and
- Accounting will utilize 1 student to perform additional tasks required by the mandated accounting and procurement system - Fi\$Cal.

It is expected that the students will assist staff by performing the tasks identified below by division.

Records Management Unit (RMU) - Justification for UEI Student Support Over Five years

The Commission's Records Management Unit (RMU) is currently actively engaged in four overriding types of records-related activities:

1. Record organization
2. Record inventory

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3. Record digitization
4. Record preservation.

These activities have led to the creation of over a dozen short and long-term projects which are listed in the table below. To move forward with the preparation for upcoming digitization efforts, RMU is requesting additional help associated with in-depth inventories, classification and organization for digitization preparation. The RMU contains only three full-time staff members, and, without additional help, the unit's staff would be unable to complete all elements of the digitization and preparation project requirements within the needed procurement timeline.

The projects listed below align with several of the Commission's logistical and strategic goals which include creating more physical space, streamlining and automating records-centric business processes, actively engaging in long-term digital and physical preservation and providing digital content for the Commission's Enterprise Content Management (ECM) platform – Online System for Customer Applications and Records (OSCAR) (formerly Spatially Indexed Records Management System (SIRMS)).

Information Services Division (ISD) Justification for UEI Student Support Over Five years

Tasks performed by Student Assistants in support of ISD, including Information Technology (IT) services such as:

1. Provide timely and dependable customer service
2. Assist staff with project planning, implementation, and training
3. Support and manage current hardware and software
4. Keep abreast of new and emerging technology
5. Development of web-based public facing applications
6. Remote and wireless access

Most of the helpdesk requests originate from the Commission's Sacramento headquarters office. Student interns provide an important resource for our frontline tier 1 and tier 2 IT support. Since ISD does not have designated staff to respond to and resolve all helpdesk tickets in Sacramento, the unit has relied heavily on the students' help. ISD needs more than one student in Sacramento because when school is in session, working hours are limited and must be arranged around the student's academic schedule to ensure there is adequate coverage.

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The students work on more than just helpdesk tickets. The students assist various ISD staff on projects and specific software upgrades, such as Office 365, Windows, SAP2000, ArcGIS Desktop, Autodesk Suite, and more. The Commission also provides a service to these students by providing valuable work experience and guidance in enterprise systems. As ISD takes on more roles, the students can help maintain and update related records. If the current level of funding for ISD students is not sustained, then helpdesk tickets will take longer to resolve. Infrastructure staff would be taken away from their project tasks, which will fall behind due to covering the helpdesk.

Looking at a full calendar year alone (2018), the students closed hundreds of helpdesk tickets that would otherwise swamp the workload of multiple ISD staff. In a year to year comparison between 2017 and 2018, the Commission had a 16.67 percent increase in helpdesk tickets, with the students working on 43.7 percent of those tickets. All 3 students have proven to be an invaluable and integral part of the team. If there was only one part-time student in Long Beach and one in Sacramento, helpdesk hours would likely need to be reduced to 10:00 a.m. to 2:00 p.m. or rely on an inconsistent schedule due to the varying schedules of the students. Once there is an additional full-time ISD staff person in Long Beach to cover helpdesk (expected by end of FY18/19), then having just the two Sacramento UEI students should be sufficient.

The estimated costs for the IT students are based on maximum salary of a graduate student. This scenario is highly unlikely; however, it is important to use that figure for calculation purposes for a possible maximum.

Fiscal Unit - Justification for UEI Student Support Over Five years

Current staffing levels of the Fiscal Unit are insufficient to support the identified workload. In order to provide vital contracting services allowing Program to utilize hard won funding, it will be necessary for the Unit to utilize Student Assistants and Retired Annuitants. The following factors have contributed to the current backlog and a general workload disproportionate to available staff hours: 1) State of California mandated conversion to Fi\$Cal, 2) increase in the number of Commission projects and activities, generating a larger than normal need for solicitations and contracting, 3) compliance with existing procurement regulation and policy.

At present, the Fi\$Cal conversion is an immensely labor-intensive endeavor that involves entering the information from prior paper-based records and agreements into the digital Fi\$Cal process. Once this historical reconciliation is complete, the

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contracts and agreements can be converted into a Fi\$Cal Contract and a Fiscal Year PO.

Accounting - Justification for UEI Student Support Over Five years

Accounting workload has increased exponentially due to the need to convert from the prior system, CALSTARS, to State of California mandated conversion to Fi\$Cal. Accounting staff is down to five (from eight) permanent full-time state employees to handle normal workload. The Commission is approaching year end closing activities understaffed and faced with lengthy recruitment timeframes. Without additional temporary assistance, submission of closing statements to the State Controller's Office in a timely manner, as mandated by law, may be delayed. As part of the transition to Fi\$Cal, vendor payments have been delayed for contractors statewide. As a hallmark of the Commission's culture, staff strives to provide excellent customer service to vendors. Amending the current UEI Agreement will enable the Commission to hire college students to assist Accounting staff meet departmental goals.

University Enterprises, Inc., provides college students specializing in various fields on a part-time basis to fill basic or supporting needs that may go unattended due to permanent staffing levels and other priorities. Not only does this allow the Commission to focus its limited, but more experienced staff to its core program functions, it also gives the college students real world experience in a professional setting. Some of these students may later join the State workforce with directly relevant experience in State operations.

This Agreement shall be consistent with State policies and procedures as specified in the State Administrative Manual and State Contract Manual. The Agreement is subject to sufficient funding provided in the Commission's budget.

STAFF ANALYSIS AND RECOMMENDATION:

Statutory Authority and Other References:

Public Resources Code Section 6106 (Delegation to execute written instruments); Public Contract Code section 10335 et seq. (Consulting Services Contracts); State Administrative Manual section 1200; State Contracting Manual (rev. 11/12).

State's Best Interests Analysis:

The recommended action, executing an amendment to the Agreement to hire college students to assist Commission staff, is in the State's best interests because it allows the Commission to focus its staffing resources

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on its core program needs. Some of these college students may later join the State workforce with directly relevant experience in State operations.

OTHER PERTINENT INFORMATION:

1. Authorization to execute an amendment to the agreement with the University Enterprises, Inc., is not considered a project as defined by the California Environmental Quality Act (CEQA) because it is an administrative action that will not result in direct or indirect physical changes in the environment.

Authority: Public Resources Code section 21065 and California Code of Regulations, title 14, section 15378, subdivision (b)(5).

2. The proposed action is consistent with Strategy 2.3 of the Commission's Strategic Plan, to align budget and policy initiatives and staff resources with the Commission and State priorities, including securing stable funding sources and resources to fulfill the Commission's mission and vision.
3. Funding for this action has been included in the Commission's 2018-2019 fiscal year support budget.

RECOMMENDED ACTION:

It is recommended that the Commission:

STATE'S BEST INTERESTS:

Find that the recommended action is in the best interests of the State.

AUTHORIZATION:

Authorize the Executive Officer or her designee to execute an amendment to the Agreement with the University Enterprises, Inc., in accordance with current State policies and procedures.